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reason of any political or economic oppression, but rather through excess of freedom which enabled them to run on ahead of political advance in the mother country.

We shall await with interest the author's second volume embracing the Revolutionary War. This period is, indeed, Professor Van Tyne's chosen field, and we predict that he will produce a book hardly inferior in literary charm to Sir George Otto Trevelyan's *American Revolution*.

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CYCLES OF PROSPERITY AND DEPRESSION IN THE UNITED STATES, GREAT BRITAIN AND GERMANY: A Study of Monthly Data, 1902-08. By Alvin Harvey Hansen. Madison: University of Wisconsin Studies in the Social Sciences and History. 1921. Pp. 112.

Not the greatest, but one of the most obvious, curses of our present economic life is the recurrence of cycles of depression and excessive constructional activity which so largely defeat the human will to labor, and the human need to subsist from the products of labor steadily and efficiently applied upon the world's resources. In recent years panics, the acutest phase of industrial crises, have been abolished in all progressive countries by well-thought reforms in their financial arrangements, as our Federal Reserve system prevented any panic in 1920, and this success offers good hope that by study, science and wise control of finances, the whole cyclical evil may become as unknown as it was before the Industrial Revolution.

A painstaking and scientifically useful study of the evil has been made by Professor Hansen, upon twenty-three series of criteria of business conditions, month by month for a seven-year period, with intelligent working out of many correlations and charts, all useful for further studies as well as for present illumination.

Professor Hansen holds that banking conditions (cash reserves, etc.) are the precursors and starters of the whole cycle, and should be described as coming first. Twelve months later, on the whole, than the banking wave, in the period studied, come the crest and troughs of the wave of Investment criteria, such as prices

of stocks, and three months after that the corresponding phases of the waves of bank clearings and building permits. Five months more elapse and we have the Industrial group (iron production, wholesale prices, railroad gross earnings, etc.) reaching the same phases. This latest aspect of the business cycle, the one most felt by the public, may thus be foreseen a year and eight months ahead of time, from the Banking criteria.

A number of theories of the cause of cycles are cited, and the author's graphs make him especially approve those which emphasize money, credit, prices and capitalization as the moving factors, rather than over- or under-production or consumption of goods, or the weather theories. The start of a wave of prosperity is to be found, he thinks, in the accumulation of funds in the banks in times of depression, followed by free lending to enterprises, which inflates the phantom currency of credit; this in turn raises prices, increasing the margin of profit in production, stimulating the construction of new plants, bringing a shortage of labor and of consumption of goods, driving prices higher, and ultimately increasing the costs and ineffectiveness of labor, until the margin of profit disappears and the downfall comes.

The theory is plausible, but so are they all: it is a pity that neither Professor Hansen nor other economists can present quantitative data to prove that the alleged causes are adequate to create the observed effects, and that no others are, or to show whatever the re-partition may be of responsibility. It is a pity, too, that he has totally ignored the meteorological explanations of the origin of the cycles, which seem to the writer particularly cogent. Professor Henry L. Moore's demonstration of an eight-year "Venus" cycle in the yield of the grain crops, persisting since 1760 with a regularity so unchanged that he feels obliged to invoke the movement of the planets for explanation, is something not to be ignored; but, indeed, it was published after this book. Still less should Dr. Ellsworth Huntington's theory of weather-controlled *health* as the originating factor of the economic cycles be ignored. In his *World Power and Evolution*, published in 1919, he maintains that health, which affects every person in the land, and causes through deaths and illnesses bil-

lions more of economic loss in some years than in others, and which strongly affects the optimism of the enterpriser, his inclination to expand his plant, is the prime cause of our cycles of expansion and depression. Huntington supports his thesis with no such detailed monthly data as Hansen, but covers the many years and major cycles between 1870 and 1913, while Hansen's brief and small cycle-and-a-half can prove nothing fully. , Huntington's thesis has received excellent confirmation in the years since it was written, the broncho-pulmonary period of 1918 having been followed by depression three and four years later, just as demanded by the theory, and as happened, *e. g.*, after the influenza of 1890-93. Another confirmation has been the worldwide extension of both broncho-pulmonary illness and the subsequent industrial stagnation, which affected even France, a country previously little subject to fluctuations in either health or business.

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THE INTERNATIONAL MOLDERS' UNION OF NORTH AMERICA. By Frank T. Stockton, Ph.D. Baltimore: The Johns Hopkins Press. 1921. Pp. ix, 218.

As a valuable type union for study Professor Stockton has selected that of the men who make our castings—a conservative union in an old-fashioned skilled craft, a union with well-established governing conditions, elaborate and powerful organization, 75,000 membership, unrestricted admission, high dues (60¢ weekly in 1917), aggressive in action though conservative in policy. Regularly administered with well-tried machinery, the days are long past when the devoted father of the union, Sylvis, in the 60's, declared that—

“should the emergency demand it he would lay the constitution on the shelf and do what seemed necessary to save the organization, believing it were better to have an organization without a constitution than a constitution without an organization.”

Particularly notable has been the union's latter-day success in preventing the curse of outlaw strikes; the International has become so powerful, its local charters so valuable, its discipline